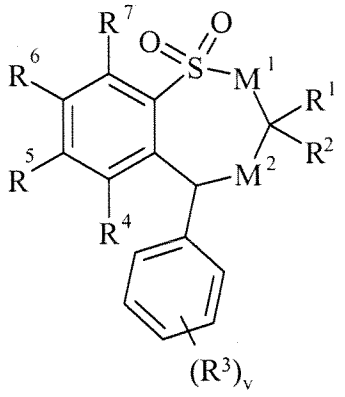
Amendments to the Claims:

This listing of claims will replace all prior versions and listing of claims in the application.

Listing of the Claims:

Claim 1 (currently amended): A compound of formula **(I)**:



(I)

wherein

M^{1} is -CH_2- ~~or NR^{21}~~-;

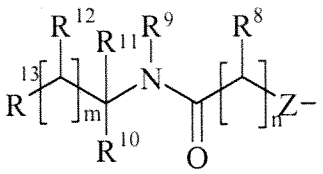
M^{2} is ~~$CR^{22}R^{23}$ or~~ -NR^{24}-; ~~provided that if M^1 is NR^{21}, M^2 is $CR^{22}R^{23}$;~~

one of **R**^{1} and **R**^{2} is selected from hydrogen~~,~~ or C_{1-6}alkyl ~~or C_{2-6}alkenyl~~ and the other is selected from C_{1-6}alkyl ~~or C_{2-6}alkenyl~~;

R^{3} is selected from halo, nitro, cyano, hydroxy, amino, carboxy, carbamoyl, mercapto, sulphamoyl, C_{1-6}alkyl, C_{2-6}alkenyl, C_{2-6}alkynyl, C_{1-6}alkoxy, C_{1-6}alkanoyl, C_{1-6}alkanoyloxy, *N*-(C_{1-6}alkyl)amino, *N,N*-(C_{1-6}alkyl)$_2$amino, C_{1-6}alkanoylamino, *N*-(C_{1-6}alkyl)carbamoyl, *N,N*-(C_{1-6}alkyl)$_2$carbamoyl, C_{1-6}alkylS(O)$_a$ wherein a is 0 to 2, C_{1-6}alkoxycarbonyl, *N*-(C_{1-6}alkyl)sulphamoyl and *N,N*-(C_{1-6}alkyl)$_2$sulphamoyl;

v is 0-5;

~~one of~~ **R**^{5} ~~and **R**^{6}~~ is a group of formula **(IA)**:



(IA)

R^{4} and **R**^{7} are hydrogen;

~~and the other of **R**^{5} and **R**^{6}~~ is ~~are independently selected from~~ hydrogen or methylthio~~, halo, nitro, cyano, hydroxy, amino, carboxy, carbamoyl, mercapto, sulphamoyl, C_{1-4}alkyl, C_{2-4}alkenyl, C_{2-4}alkynyl, C_{1-4}alkoxy, C_{1-4}alkanoyl, C_{1-4}alkanoyloxy, *N*-(C_{1-4}alkyl)amino, *N,N*-(C_{1-4}alkyl)$_2$amino, C_{1-4}alkanoylamino, *N*-(C_{1-4}alkyl)carbamoyl, *N,N*-(C_{1-4}alkyl)$_2$carbamoyl, C_{1-4}alkylS(O)$_a$ wherein a is 0 to 2, C_{1-4}alkoxycarbonyl, *N*-(C_{1-4}alkyl)sulphamoyl and *N,N*-(C_{1-4}alkyl)$_2$sulphamoyl; wherein R^{4} and R^{7} and the other of R^{5} and R^{6} may be optionally substituted on carbon by one or more R^{25}~~;

Z is -O~~-, -N(R^{a})-, -S(O)$_b$- or -CH(R^{a})-; wherein R^{a} is hydrogen or C_{1-6}alkyl and b is 0-2~~;

R^{8} is hydrogen~~, C_{1-4}alkyl, carbocyclyl or heterocyclyl; wherein R^{8} may be optionally substituted on carbon by one or more substituents selected from R^{26}; and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{27}~~;

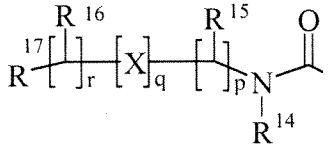
R^{9} is hydrogen~~ or C_{1-4}alkyl~~;

R^{10} is ~~and **R**^{11} are independently~~ selected from cyclohexyl and phenyl~~ hydrogen, C_{1-4}alkyl, carbocyclyl or heterocyclyl; or R^{10} and R^{11} together form C_{2-6}alkylene; wherein R^{10} and R^{11} or R^{10} and R^{11} together may be independently~~ optionally substituted on carbon by one or more substituents selected from R^{28}~~; and wherein if said heterocyclyl contains an -NH- moiety, that nitrogen may be optionally substituted by one or more R^{29}~~;

~~**R**^{10} and **R**^{11}~~ is ~~are independently~~ selected from hydrogen, C_{1-4}alkyl, carbocyclyl or heterocyclyl~~; or R^{10} and R^{11} together form C_{2-6}alkylene; wherein R^{10} and R^{11} or R^{10} and R^{11} together may be independently~~ optionally substituted on carbon by one or more substituents selected from R^{28}; and wherein if said heterocyclyl contains an -NH- moiety, that nitrogen may be optionally substituted by one or more R^{29};

~~R^{12} is hydrogen, C_{1-4}alkyl, carbocyclyl or heterocyclyl; wherein R^{12} may be optionally substituted on carbon by one or more substituents selected from R^{30}; and wherein if said heterocyclyl contains an –NH– moiety, that nitrogen may be optionally substituted by one or more R^{31};~~

R^{13} is ~~hydrogen, halo, nitro, cyano, hydroxy, amino, carbamoyl, mercapto, sulphamoyl, hydroxyaminocarbonyl, C_{1-10}alkyl, C_{2-10}alkenyl, C_{2-10}alkynyl, C_{1-10}alkoxy, C_{1-10}alkoxycarbonyl, C_{1-10}alkanoyl, C_{1-10}alkanoyloxy, *N*-(C_{1-10}alkyl)amino, *N,N*-(C_{1-10}alkyl)$_2$amino, *N,N,N*-(C_{1-10}alkyl)$_3$ammonio, C_{1-10}alkanoylamino, *N*-(C_{1-10}alkyl)carbamoyl, *N,N*-(C_{1-10}alkyl)$_2$carbamoyl, C_{1-10}alkylS(O)$_a$ wherein a is 0 to 2, *N*-(C_{1-10}alkyl)sulphamoyl, *N,N*-(C_{1-10}alkyl)$_2$sulphamoyl, *N*-(C_{1-10}alkyl)sulphamoylamino, *N,N*-(C_{1-10}alkyl)$_2$sulphamoylamino, C_{1-10}alkoxycarbonylamino, carbocyclyl, carbocyclylC_{1-10}alkyl, heterocyclic group, heterocyclylC_{1-10}alkyl, carbocyclyl-(C_{1-10}alkylene)$_e$-R^{32}-(C_{1-10}alkylene)$_f$– or heterocyclyl-(C_{1-10}alkylene)$_g$-R^{33}-(C_{1-10}alkylene)$_h$–; wherein R^{13} may be optionally substituted on carbon by one or more substituents selected from R^{36}; and wherein if said heterocyclyl contains an –NH– group, that nitrogen may be optionally substituted by a group selected from R^{37}; or R^{13} is~~ a group of formula **(IB)**:



(IB)

wherein:

~~**X** is –N(R^{38})–, –N(R^{38})C(O)–, –O–, and –S(O)$_a$–; wherein a is 0-2 and R^{38} is hydrogen or C_{1-4}alkyl;~~

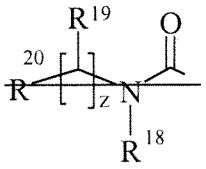
R^{14} is hydrogen~~ or C_{1-4}alkyl~~;

R^{15} is hydrogen;

~~and~~ R^{16} is ~~are independently selected from hydrogen, halo, nitro, cyano,~~ hydroxy~~, amino, carbamoyl, mercapto, sulphamoyl, C_{1-6}alkyl, C_{2-6}alkenyl, C_{2-6}alkynyl, C_{1-6}alkoxy, C_{1-6}alkanoyl, C_{1-6}alkanoyloxy, *N*-(C_{1-6}alkyl)amino, *N,N*-(C_{1-6}alkyl)$_2$amino,~~

~~C_{1-6}alkanoylamino, *N*-(C_{1-6}alkyl)carbamoyl, *N,N*-(C_{1-6}alkyl)$_2$carbamoyl, C_{1-6}alkylS(O)$_a$ wherein a is 0 to 2, C_{1-6}alkoxycarbonyl, *N*-(C_{1-6}alkyl)sulphamoyl, *N,N*-(C_{1-6}alkyl)$_2$sulphamoyl, carbocyclyl or heterocyclic group; wherein R^{15} and R^{16} may be independently optionally substituted on carbon by one or more substituents selected from R^{41}; and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{42};~~

R^{17} is ethyl, ~~selected from hydrogen, halo, nitro, cyano, hydroxy, amino, carbamoyl, mercapto, sulphamoyl, hydroxyaminocarbonyl, C_{1-10}alkyl, C_{2-10}alkenyl, C_{2-10}alkynyl, C_{1-10}alkoxy, C_{1-10}alkanoyl, C_{1-10}alkanoyloxy, *N*-(C_{1-10}alkyl)amino, *N,N*-(C_{1-10}alkyl)$_2$amino, C_{1-10}alkanoylamino, *N*-(C_{1-10}alkyl)carbamoyl, C_{1-10}alkoxycarbonyl, *N,N*-(C_{1-10}alkyl)$_2$carbamoyl, C_{1-10}alkylS(O)$_a$ wherein a is 0 to 2, *N*-(C_{1-10}alkyl)sulphamoyl, *N,N*-(C_{1-10}alkyl)$_2$sulphamoyl, *N*-(C_{1-10}alkyl)sulphamoylamino, *N,N*-(C_{1-10}alkyl)$_2$sulphamoylamino, carbocyclyl, carbocyclylC_{1-10}alkyl, heterocyclic group, heterocyclylC_{1-10}alkyl, carbocyclyl-(C_{1-10}alkylene)$_e$-R^{43}-(C_{1-10}alkylene)$_f$- or heterocyclyl-(C_{1-10}alkylene)$_g$-R^{44}-(C_{1-10}alkylene)$_h$-;~~ wherein R^{17} ~~is may be optionally~~ substituted on each carbon of the ethyl group by one substituent ~~or more substituents~~ selected from R^{47}, wherein R^{47} is hydroxy; ~~and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{48}; or R^{17} is a group of formula **(IC)**:~~



~~**(IC)**~~

~~wherein:~~

~~**R^{18}** is selected from hydrogen or C_{1-4}alkyl;~~

~~**R^{19}** is selected from hydrogen, halo, nitro, cyano, hydroxy, amino, carbamoyl, mercapto, sulphamoyl, C_{1-6}alkyl, C_{2-6}alkenyl, C_{2-6}alkynyl, C_{1-6}alkoxy, C_{1-6}alkanoyl, C_{1-6}alkanoyloxy, *N*-(C_{1-6}alkyl)amino, *N,N*-(C_{1-6}alkyl)$_2$amino, C_{1-6}alkanoylamino, *N*-(C_{1-6}alkyl)carbamoyl,~~

~~*N,N*-(C_{1-6}alkyl)$_2$carbamoyl, C_{1-6}alkylS(O)$_a$ wherein a is 0 to 2, C_{1-6}alkoxycarbonyl, *N*-(C_{1-6}alkyl)sulphamoyl, *N,N*-(C_{1-6}alkyl)$_2$sulphamoyl, carbocyclyl or heterocyclic group; where R^{19} may be independently optionally substituted on carbon by one or more substituents selected from R^{51}; and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{52};~~

R^{20} ~~is selected from halo, nitro, cyano, hydroxy, amino, carbamoyl, mercapto, sulphamoyl, hydroxyaminocarbonyl, C_{1-10}alkyl, C_{2-10}alkenyl, C_{2-10}alkynyl, C_{1-10}alkoxy, C_{1-10}alkoxycarbonyl, C_{1-10}alkanoyl, C_{1-10}alkanoyloxy, *N*-(C_{1-10}alkyl)amino, *N,N*-(C_{1-10}alkyl)$_2$amino, *N,N,N*-(C_{1-10}alkyl)$_3$ammonio, C_{1-10}alkanoylamino, *N*-(C_{1-10}alkyl)carbamoyl, *N,N*-(C_{1-10}alkyl)$_2$carbamoyl, C_{1-10}alkylS(O)$_a$ wherein a is 0 to 2, *N*-(C_{1-10}alkyl)sulphamoyl, *N,N*-(C_{1-10}alkyl)$_2$sulphamoyl, *N*-(C_{1-10}alkyl)sulphamoylamino, *N,N*-(C_{1-10}alkyl)$_2$sulphamoylamino, C_{1-10}alkoxycarbonylamino, carbocyclyl, carbocyclylC_{1-10}alkyl, heterocyclic group, heterocyclylC_{1-10}alkyl, carbocyclyl-(C_{1-10}alkylene)$_e$-R^{53}-(C_{1-10}alkylene)$_f$- or heterocyclyl-(C_{1-10}alkylene)$_g$-R^{54}-(C_{1-10}alkylene)$_h$-; wherein R^{20} may be independently optionally substituted on carbon by one or more R^{57}; and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{58};~~

p is 1~~-3; wherein the values of R^{15} may be the same or different~~;

q is 0~~-1~~;

r is ~~0-~~3; ~~wherein the values of R^{16} may be the same or different;~~

m is 0~~-2~~; wherein the values of R^{12} may be the same or different;

n is 1~~-2; wherein the values of R^{8} may be the same or different~~;

z is 0-3; wherein the values of R^{19} may be the same or different;

R^{21} is selected from hydrogen or C_{1-6}alkyl;

R^{22} and **R^{23}** are independently selected from hydrogen, hydroxy, amino, mercapto, C_{1-6}alkyl, C_{1-6}alkoxy, *N*-(C_{1-6}alkyl)amino, *N,N*-(C_{1-6}alkyl)$_2$amino, C_{1-6}alkylS(O)$_a$ wherein a is 0 to 2;

R^{24} is ~~selected from~~ hydrogen~~, hydroxy, C_{1-6}alkyl, C_{1-4}alkoxy and C_{1-6}alkanoyloxy~~;

R^{25} is selected from halo, nitro, cyano, hydroxy, amino, carboxy, carbamoyl, mercapto, sulphamoyl, C_{1-4}alkyl, C_{2-4}alkenyl, C_{2-4}alkynyl, C_{1-4}alkoxy, C_{1-4}alkanoyl, C_{1-4}alkanoyloxy,

N-(C_{1-4}alkyl)amino, *N,N*-(C_{1-4}alkyl)$_2$amino, C_{1-4}alkanoylamino, *N*-(C_{1-4}alkyl)carbamoyl, *N,N*-(C_{1-4}alkyl)$_2$carbamoyl, C_{1-4}alkylS(O)$_a$ wherein a is 0 to 2, C_{1-4}alkoxycarbonyl, *N*-(C_{1-4}alkyl)sulphamoyl and *N,N*-(C_{1-4}alkyl)$_2$sulphamoyl; wherein R^{25}, may be independently optionally substituted on carbon by one or more R^{67};

R^{26}, **R^{28}**, **R^{30}**, **R^{36}**, **R^{41}**, **R^{47}**, **R^{51}** and **R^{57}** are independently selected from halo, nitro, cyano, hydroxy, amino, carbamoyl, mercapto, sulphamoyl, hydroxyaminocarbonyl, C_{1-10}alkyl, C_{2-10}alkenyl, C_{2-10}alkynyl, C_{1-10}alkoxy, C_{1-10}alkanoyl, C_{1-10}alkanoyloxy, C_{1-10}alkoxycarbonyl, *N*-(C_{1-10}alkyl)amino, *N,N*-(C_{1-10}alkyl)$_2$amino, *N,N,N*-(C_{1-10}alkyl)$_3$ammonio, C_{1-10}alkanoylamino, *N*-(C_{1-10}alkyl)carbamoyl, *N,N*-(C_{1-10}alkyl)$_2$carbamoyl, C_{1-10}alkylS(O)$_a$ wherein a is 0 to 2, *N*-(C_{1-10}alkyl)sulphamoyl, *N,N*-(C_{1-10}alkyl)$_2$sulphamoyl, *N*-(C_{1-10}alkyl)sulphamoylamino, *N,N*-(C_{1-10}alkyl)$_2$sulphamoylamino, C_{1-10}alkoxycarbonylamino, carbocyclyl, carbocyclylC_{1-10}alkyl, heterocyclic group, heterocyclylC_{1-10}alkyl, carbocyclyl-(C_{1-10}alkylene)$_e$-R^{59}-(C_{1-10}alkylene)$_f$- or heterocyclyl-(C_{1-10}alkylene)$_g$-R^{60}-(C_{1-10}alkylene)$_h$-; wherein R^{26}, R^{28}, R^{30}, R^{36}, R^{41}, R^{47}, R^{51} and R^{57} may be independently optionally substituted on carbon by one or more R^{63}; and wherein if said heterocyclyl contains an -NH- group, that nitrogen may be optionally substituted by a group selected from R^{64};

R^{27}, **R^{29}**, **R^{31}**, **R^{37}**, **R^{42}**, **R^{48}**, **R^{52}**, **R^{58}** and **R^{64}** are independently selected from C_{1-6}alkyl, C_{1-6}alkanoyl, C_{1-6}alkylsulphonyl, sulphamoyl, *N*-(C_{1-6}alkyl)sulphamoyl, *N,N*-(C_{1-6}alkyl)$_2$sulphamoyl, C_{1-6}alkoxycarbonyl, carbamoyl, *N*-(C_{1-6}alkyl)carbamoyl, *N,N*-(C_{1-6}alkyl)$_2$carbamoyl, benzyl, phenethyl, benzoyl, phenylsulphonyl and phenyl;

R^{32}, **R^{33}**, **R^{43}**, **R^{44}**, **R^{53}**, **R^{54}**, **R^{59}** and **R^{60}**are independently selected from -O-, -NR^{65}-, -S(O)$_x$-, -NR^{65}C(O)NR^{66}-, -NR^{65}C(S)NR^{66}-, -OC(O)N=C-, -NR^{65}C(O)- or -C(O)NR^{65}-; wherein R^{65} and R^{66} are independently selected from hydrogen or C_{1-6}alkyl, and x is 0-2;

R^{63} and **R^{67}** re independently selected from halo, hydroxy, cyano, carbamoyl, ureido, amino, nitro, carbamoyl, mercapto, sulphamoyl, trifluoromethyl, trifluoromethoxy, methyl, ethyl, methoxy, ethoxy, vinyl, allyl, ethynyl, methoxycarbonyl, formyl, acetyl, formamido, acetylamino, acetoxy, methylamino, dimethylamino, *N*-methylcarbamoyl,

N,N-dimethylcarbamoyl, methylthio, methylsulphinyl, mesyl, *N*-methylsulphamoyl and *N,N*-dimethylsulphamoyl; and

e, **f**, **g** and **h** are independently selected from 0-2;

or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof.

Claims 2-3 (cancelled).

Claim 4 (currently amended): A compound of formula **(I)** according to claim 1 wherein R^{22} and R^{23} are independently selected from hydrogen and hydroxy; or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof.

Claim 5 (cancelled).

Claim 6 (currently amended): A compound of formula **(I)** according to claim 1 wherein one of R^1 and R^2 is ~~are~~ C_{1-4}alkyl; or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof.

Claim 7 (currently amended): A compound of formula **(I)** according to claim 1 wherein v is 0; or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof.

Claims 8-11 (cancelled).

Claim 12 (currently amended): A compound of formula **(I)** according to claim 1 selected from:

(+/-)-trans-1,1-dioxo-3-ethyl-3-butyl-5-phenyl-7-methylthio-8-(*N*-{(R)-α-[*N*'-(2-(S)-3-(R)-4-(R)-5-(R)-2,3,4,5,6-pentahydroxyhexyl)carbamoyl]benzyl}carbamoylmethoxy)-2,3,4,5-tetrahydro-1,4-benzothiazepine;

~~(+/-) trans-1,1-dioxo-3-ethyl-3-butyl-5-phenyl-7-methylthio-8-(*N*-{(R)-α-[*N*'-(2-(S)-3-(R)-4-(R)-5-(R)-2,3,4,5,6-pentahydroxyhexyl)carbamoyl]benzyl}carbamoylmethoxy)-2,3,4,5-tetrahydro-1,4-benzothiazepine;~~

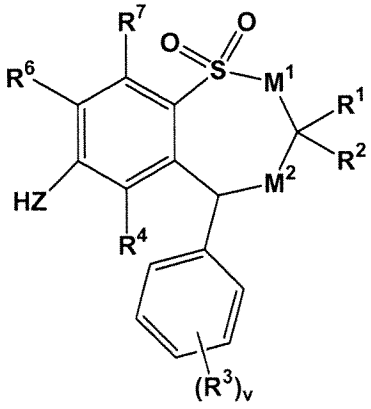
~~1,1-dioxo-3-ethyl-3-butyl-4-hydroxy-5-phenyl-7-(*N*-{α-[*N*'-(2-(S)-3-(R)-4-(R)-5-(R)-2,3,4,5,6-pentahydroxyhexyl)carbamoyl]-2-fluorobenzyl}carbamoylmethylthio)-2,3,4,5-tetrahydrobenzothiepine; or~~

~~1,1-dioxo-3-butyl-3-ethyl-4-hydroxy-5-phenyl-7-(*N*-{1-[*N*'-(2-(S)-3-(R)-4-(R)-5-(R)-2,3,4,5,6-pentahydroxyhexyl)carbamoyl]-1-(cyclohexyl)methyl}carbamoylmethylthio)-2,3,4,5-tetrahydrobenzothiepine;~~

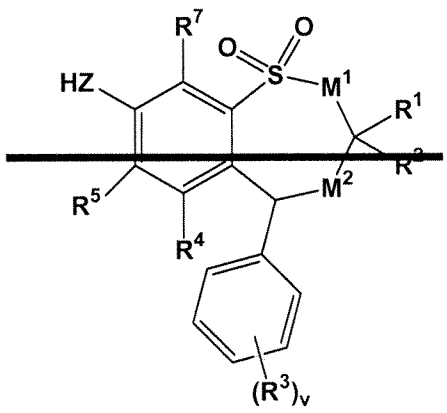
or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof.

Claim 13 (currently amended and withdrawn): A process for preparing a compound of formula **(I)** or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a prodrug~~ thereof, as claimed in claim 1, which process ~~(wherein variable groups are, unless otherwise specified, as defined in claim 1)~~ comprises of:

Process 1): for compounds of formula **(I)** ~~wherein Z is -O-, NR^a or -S-~~; reacting a compound of formula **(IIa)** ~~or **(IIb)**~~:

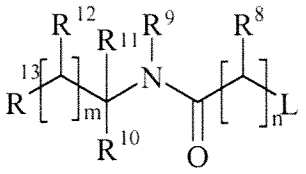


(IIa)



~~**(IIb)**~~

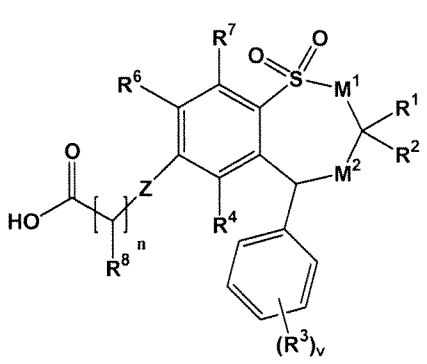
with a compound of formula **(III)**:



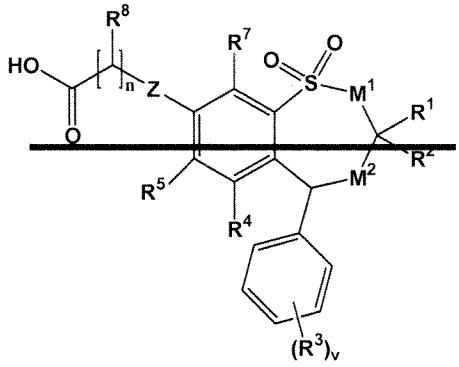
(III)

wherein L is a displaceable group;

Process 2): reacting an acid of formula **(IVa)** ~~or (IVb)~~:

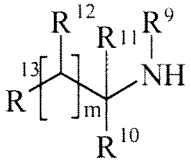


(IVa)



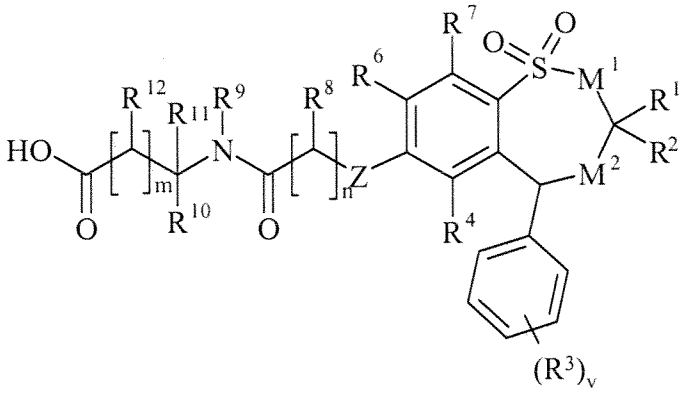
~~(IVb)~~

~~or an activated derivative thereof~~; with an amine of formula **(V)**:



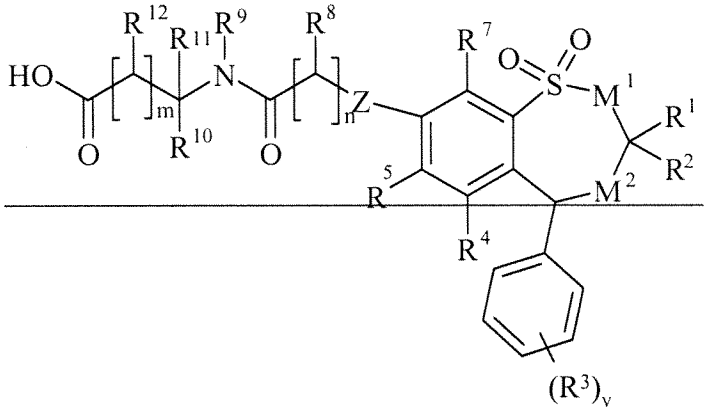
(V);

Process 3): for compounds of formula **(I)** wherein R^{13} is a group of formula **(IB)**; reacting an acid of formula **(VIa)**:



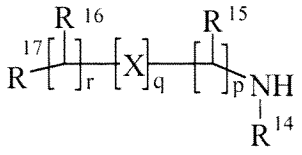
(VIa)

~~or **(VIb)**:~~



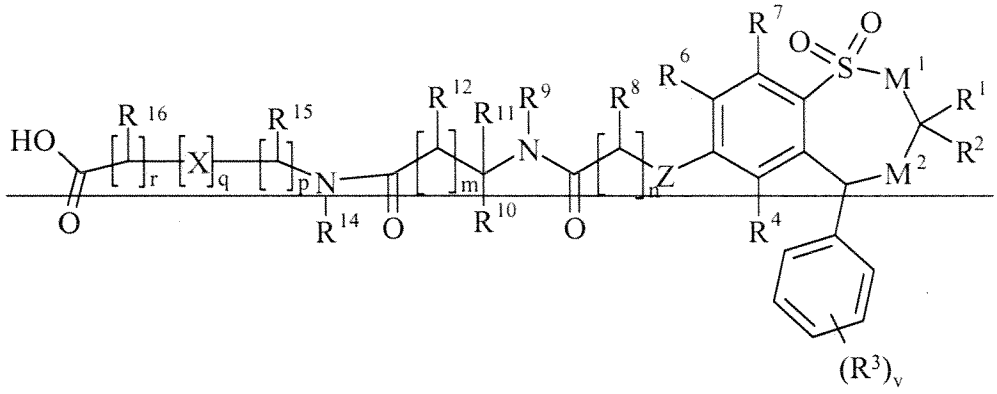
~~**(VIb)**~~

with an amine of formula (VI):



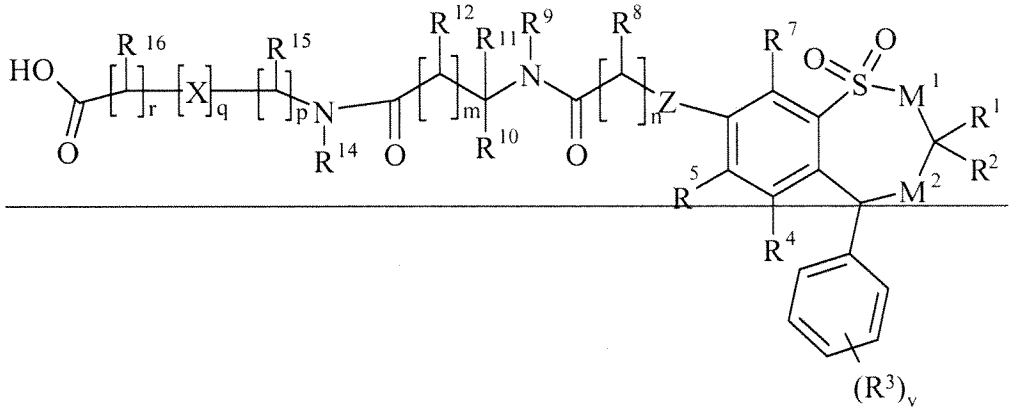
(VI); or

~~*Process 4)*: for compounds of formula **(I)** wherein R^{13} is a group of formula **(IB)** and R^{17} is a group of formula **(IC)**; reacting an acid of formula **(VIIIa)**:~~



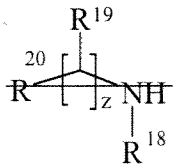
~~**(VIIIa)**~~

~~or **(VIIIb)**~~



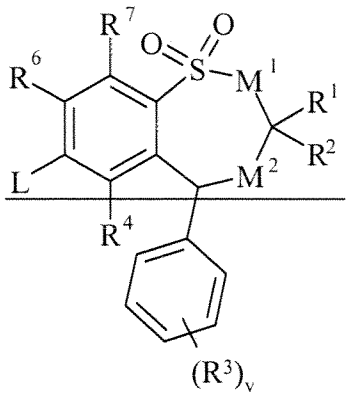
~~**(VIIIb)**~~

~~or an activated derivative thereof; with an amine of formula **(IX)**:~~

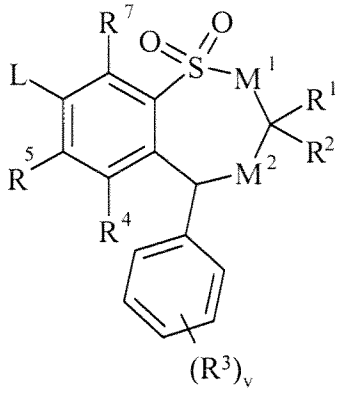


~~**(IX)**~~

Process 4) ~~*5)*~~ for compounds of formula **(I)** wherein ~~one of R^5 and~~ R^6 is methylthio ~~are independently selected from C_{1-6}alkylthio optionally substituted on carbon by one or more R^{25}~~; reacting a compound of formula ~~**(Xa) or**~~ **(Xb)**:



~~**(Xa)**~~



(Xb)

wherein L is a displaceable group; with a thiol of formula **(XI)**:

R^m-H

(XI)

wherein R^m is methylthio~~C_{1-6}alkylthio optionally substituted on carbon by one or more R^{25}~~;

and optionally:

i) converting a compound of the formula **(I)** into another compound of the formula **(I)**;

ii) removing any protecting groups;

iii) forming a pharmaceutically acceptable salt or a prodrug.

Claims 14 to 17 (cancelled).

Claim 18 (currently amended): A pharmaceutical composition which comprises a compound of formula **(I)**, or a pharmaceutically acceptable salt or an *in vivo* hydrolysable ester or amide ~~a~~ prodrug thereof, as claimed in claim 1 ~~or claim 11,~~ in association with a pharmaceutically-acceptable diluent or carrier.

Claims 19 to 25 (cancelled).